

COMPACT GOAL

The compact aims to reduce poverty and accelerate economic growth by enabling improved agricultural productivity and expanding access to markets and services through critical infrastructure investments in the irrigation and road sectors, and capacity building in the high value agriculture sector.

COMPACT AT A GLANCE

Compact Signed	01-22-2010
Entry Into Force	09-01-2010
Compact End Date	09-01-2015
Compact Total	\$262,000,000
Amount Committed	\$18,636,359
Amount Expended	\$9,287,012
Estimated Program Beneficiaries	414,000
Estimated Increase in Household Income	\$260,000,000

% OF TOTAL COMPACT BUDGET (USD MILLIONS)

39%	Transition to High Value Agriculture	\$101.7
51%	Road Rehabilitation	\$132.8
1%	Monitoring And Evaluation	\$3.5
9%	Program Administration And Control	\$23.8



■ Project Preparation ■ Project Implementation

Transition to High Value Agriculture

Repair up to 11 irrigation systems servicing 15,500 hectares, providing water for high value agriculture and higher yielding grains. Technical assistance will support the establishment of water user associations that will be legally responsible for O&M of the systems. Financing facilities and technical assistance will support high value agriculture investments by farmers.

Projected Long-Term Results (Up to 20 years)

ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME
112,000	\$123,000,000

PROJECT COST

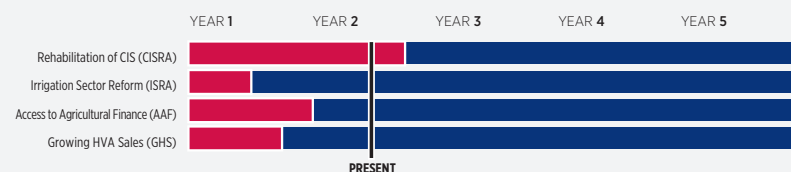
\$101,773,402

TOTAL CONTRACT COMMITMENTS

\$14,242,628

TOTAL PROJECT EXPENDITURES¹

\$6,252,810



PROJECTED RESULTS BY END OF COMPACT

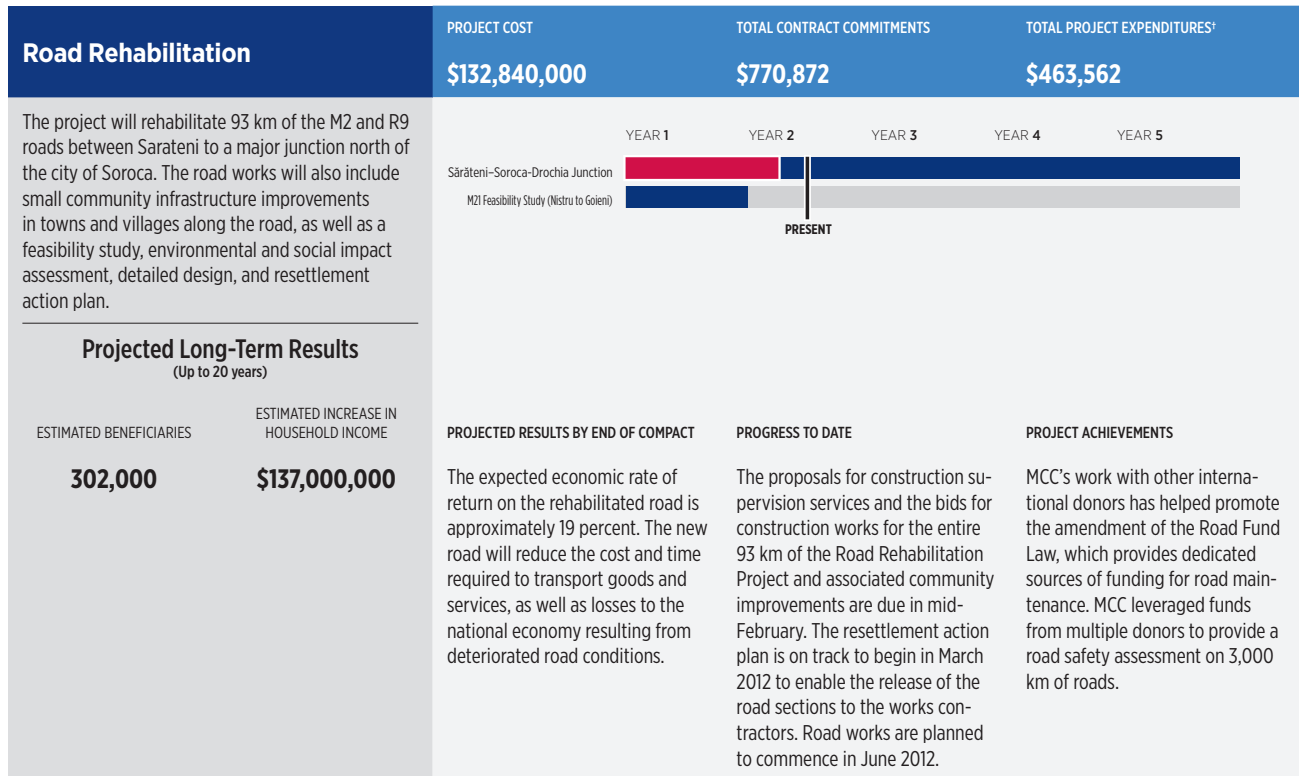
The project will yield an economic rate of return of approximately 12.7 percent, and increase the incomes of approximately 32,000 households, with an average total benefit over 20 years equal to 170 percent of the beneficiaries' current annual income.

PROGRESS TO DATE

Water User Association development is on track with registration to be completed by early 2012. Work on the detailed design for 11 centralized irrigation systems is underway. The Access to Agricultural Finance facility has been formally launched and has begun reviewing and approving appropriate loans. MCA-Moldova is effectively managing these contracts with a strong THVA Project management team.

PROJECT ACHIEVEMENTS

The Government of Moldova passed a new Water Law in December 2011; passage of this new law was a condition precedent for the eventual release of bidding documents for rehabilitation of the centralized irrigation systems.



[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.

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